

# **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**State of Indiana**  
**Statement of Net Assets**  
**June 30, 2003**  
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>Assets:</b>				
Current assets:				
Cash, cash equivalents and investments	\$ 3,382,643	\$ 1,354,357	\$ 4,737,000	\$ 1,397,852
Securities lending collateral	1,900,882	-	1,900,882	500,714
Receivables (net)	1,385,087	102,069	1,487,156	287,879
Inventory	5,971	3,192	9,163	30,293
Internal balances	300	(300)	-	-
Prepaid expenses	8,415	2,077	10,492	9,315
Loans	64,258	35,290	99,548	1,356,193
Due from primary government	-	-	-	117,717
Investment in direct financing lease	-	9,230	9,230	-
Funds held in trust by others	-	-	-	41,073
Other current assets	-	-	-	21,781
<b>Total current assets</b>	<b>6,747,556</b>	<b>1,505,915</b>	<b>8,253,471</b>	<b>3,762,817</b>
Noncurrent assets:				
Cash, cash equivalents and investments - restricted	158,992	829,433	988,425	1,419,564
Taxes, interest, and penalties receivable	448,106	-	448,106	4,998
Other receivables	36,535	-	36,535	1,238,432
Investments - unrestricted	-	-	-	686,880
Loans	388,770	752,362	1,141,132	661,568
Bond issuance costs net of amortization	11,339	1,574	12,913	30,972
Due from primary government	-	-	-	1,057,264
Investment in direct financing lease	-	202,925	202,925	-
Net pension assets	170,803	-	170,803	-
Other noncurrent assets	39	10,183	10,222	32,020
Capital assets, net of accumulated depreciation	10,429,612	255,669	10,685,281	3,663,450
<b>Total noncurrent assets</b>	<b>11,644,196</b>	<b>2,052,146</b>	<b>13,696,342</b>	<b>8,795,148</b>
<b>Total assets</b>	<b>18,391,752</b>	<b>3,558,061</b>	<b>21,949,813</b>	<b>12,557,965</b>
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable	285,672	30,982	316,654	147,924
Claims payable	-	1,826	1,826	-
Interest payable	43,841	35,123	78,964	53,471
Current portion of long-term debt	52,775	21,701	74,476	1,612,214
Intergovernmental payable	1,315,085	-	1,315,085	-
Due to component unit	96,347	21,370	117,717	-
Capital lease payable	59	-	59	6,130
Accrued prize liability	-	44,095	44,095	-
Salaries, health, disability, and benefits payable	120,212	2,738	122,950	80,804
Tax refunds payable	61,894	-	61,894	-
Deferred revenue	20,765	7,158	27,923	166,651
Accrued liability for compensated absences	71,699	145	71,844	57,806
Securities lending payable	3,611	-	3,611	-
Securities lending collateral	1,900,882	-	1,900,882	500,714
Deposits held in custody for others	-	-	-	55,473
Other current liabilities	-	2,669	2,669	38,620
<b>Total current liabilities</b>	<b>3,972,842</b>	<b>167,807</b>	<b>4,140,649</b>	<b>2,719,807</b>

**State of Indiana**  
**Statement of Net Assets**  
**June 30, 2003**  
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Long-term liabilities:				
Accrued liability for compensated absences	\$ 48,031	\$ 133	\$ 48,164	\$ 24,904
Claims payable	-	18,540	18,540	-
Construction retention	1,235	-	1,235	-
Salaries, health, disability, and benefits payable	4,360	-	4,360	-
Accrued prize liability	-	58,120	58,120	-
Net pension obligations	1,149	-	1,149	-
Due to component unit	-	1,057,264	1,057,264	-
Capital lease payable	18,457	-	18,457	98,429
Funds held in trust for others	-	-	-	43,366
Advances from federal government	295	-	295	25,087
Revenue bonds/notes payable	1,690,048	409,283	2,099,331	4,239,025
Other noncurrent liabilities	-	1,411	1,411	10,779
<b>Total long-term liabilities</b>	<b>1,763,575</b>	<b>1,544,751</b>	<b>3,308,326</b>	<b>4,441,590</b>
<b>Total liabilities</b>	<b>5,736,417</b>	<b>1,712,558</b>	<b>7,448,975</b>	<b>7,161,397</b>
<b>Net Assets:</b>				
Invested in capital assets net of related debt	9,664,938	36,931	9,701,869	2,311,016
Restricted-nonexpendable:				
Grants/constitutional restrictions	508,934	-	508,934	-
Permanent funds	4,708	-	4,708	-
Instruction and research	-	-	-	82,580
Student aid	-	-	-	84,721
Other purposes	-	-	-	46,832
<b>Total restricted-nonexpendable</b>	<b>513,642</b>	<b>-</b>	<b>513,642</b>	<b>214,133</b>
Restricted-expendable:				
Instruction and research	-	-	-	161,621
Grants/constitutional restrictions	-	-	-	3,005
Future debt service	13,803	94,240	108,043	147,592
Pension fund distribution	-	-	-	6,888
Public safety programs	6,631	-	6,631	-
Transportation programs	-	9,405	9,405	-
Student aid	-	-	-	72,995
Auxiliary enterprises	-	-	-	2,713
Capital projects	-	140,633	-	209,010
Unemployment compensation	-	973,606	973,606	-
Other purposes	-	326	326	401,318
<b>Total restricted-expendable</b>	<b>20,434</b>	<b>1,218,210</b>	<b>1,238,644</b>	<b>1,005,142</b>
Unrestricted	2,456,321	590,362	3,046,683	1,866,277
<b>Total net assets</b>	<b>\$ 12,655,335</b>	<b>\$ 1,845,503</b>	<b>\$ 14,500,838</b>	<b>\$ 5,396,568</b>

The notes to the financial statements are an integral part of this statement.

**State of Indiana**  
**Statement of Activities**  
**For the Year Ended June 30, 2003**  
(amounts expressed in thousands)

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Operating Grants and Contributions		Capital Grants and Contributions	Primary Government			Component Units
		Charges for Services			Governmental Activities	Business-type Activities	Total	
<b>Primary government:</b>								
Governmental activities:								
General government	\$ 3,049,696	\$ 303,777	\$ 243,579	\$ -	\$ (2,502,340)	\$ -	\$ (2,502,340)	\$ -
Public safety	1,198,585	572,584	185,922	14,222	(425,857)	-	(425,857)	-
Health	323,621	8,148	174,107	1,355	(140,011)	-	(140,011)	-
Welfare	6,534,702	232,147	4,370,990	-	(1,931,565)	-	(1,931,565)	-
Conservation, culture and development	480,843	85,524	202,324	-	(192,995)	-	(192,995)	-
Education	6,243,705	6,649	601,035	-	(5,636,021)	-	(5,636,021)	-
Transportation	1,278,902	1,589	899,280	-	(378,033)	-	(378,033)	-
Unallocated interest expense	80,887	-	-	-	(80,887)	-	(80,887)	-
Total governmental activities	<u>19,190,941</u>	<u>1,210,418</u>	<u>6,677,237</u>	<u>15,577</u>	<u>(11,287,709)</u>	<u>-</u>	<u>(11,287,709)</u>	<u>-</u>
Business-type activities								
Toll Roads	90,766	89,017	-	-	-	(1,749)	(1,749)	-
Aviation Technology Bonds	723	713	-	-	-	(10)	(10)	-
Airport Facilities Revenue Bonds	12,035	11,612	-	-	-	(423)	(423)	-
State Revolving Fund	62,642	61,609	-	17,807	-	16,774	16,774	-
Unemployment Compensation Fund	887,501	-	170,480	-	-	(717,021)	(717,021)	-
State Lottery Commission	552,192	664,417	-	-	-	112,225	112,225	-
Other	29,687	25,686	-	-	-	(4,001)	(4,001)	-
Total business-type activities	<u>1,635,546</u>	<u>853,054</u>	<u>170,480</u>	<u>17,807</u>	<u>-</u>	<u>(594,205)</u>	<u>(594,205)</u>	<u>-</u>
Total primary government	<u>\$ 20,826,487</u>	<u>\$ 2,063,472</u>	<u>\$ 6,847,717</u>	<u>\$ 33,384</u>	<u>(11,287,709)</u>	<u>(594,205)</u>	<u>(11,881,914)</u>	<u>-</u>
<b>Component units:</b>								
Governmental and proprietary	347,366	104,466	259,920	-	-	-	-	17,020
Colleges and universities	4,010,407	1,916,262	821,418	79,680	-	-	-	(1,193,047)
Total component units	<u>\$ 4,357,773</u>	<u>\$ 2,020,728</u>	<u>\$ 1,081,338</u>	<u>\$ 79,680</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,176,027)</u>
General Revenues:								
Income tax					4,428,304	-	4,428,304	-
Sales tax					4,210,526	-	4,210,526	-
Fuels tax					779,087	-	779,087	-
Gaming tax					673,072	-	673,072	-
Unemployment tax					-	332,281	332,281	-
Inheritance tax					175,873	-	175,873	-
Alcohol & Tobacco tax					374,308	-	374,308	-
Insurance tax					181,186	-	181,186	-
Financial Institutions tax					106,000	-	106,000	-
Other tax					170,306	-	170,306	-
Total taxes					<u>11,098,662</u>	<u>332,281</u>	<u>11,430,943</u>	<u>-</u>
Revenue not restricted to specific programs								
Investment earnings					60,344	75,530	135,874	113,202
Payments from State of Indiana					-	-	-	1,286,078
Other					111,955	1,097	113,052	126,986
Transfers within primary government					<u>105,797</u>	<u>(105,797)</u>	<u>-</u>	<u>-</u>
Total general revenues and transfers					<u>11,376,758</u>	<u>303,111</u>	<u>11,679,869</u>	<u>1,526,266</u>
Changes in net assets					89,049	(291,094)	(202,045)	350,239
Net assets - beginning, as restated					12,566,286	2,136,597	14,702,883	5,046,329
Net assets - ending					<u>\$ 12,655,335</u>	<u>\$ 1,845,503</u>	<u>\$ 14,500,838</u>	<u>\$ 5,396,568</u>

The notes to the financial statements are an integral part of this statement.

# **FUND FINANCIAL STATEMENTS**

**State of Indiana**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2003**  
(amounts expressed in thousands)

	<u>General Fund</u>	<u>Motor Vehicle Highway Fund</u>	<u>Medicaid Assistance</u>	<u>Build Indiana Fund</u>
<b>Assets:</b>				
Cash, cash equivalents and investments-unrestricted	\$ 1,168,451	\$ -	\$ 42,555	\$ 16,896
Securities lending collateral	1,375,686	-	-	-
Receivables:				
Taxes (net of allowance for uncollectible accounts)	1,024,911	21,976	-	-
Securities lending	2,530	-	-	-
Accounts	11,878	-	-	-
Grants	2,173	1,783	15,507	-
Interest	12,619	-	-	-
Interfund loans	17,031	-	-	-
Prepaid expenditures	861	2,237	-	-
Loans	37,295	-	-	3,713
	<u>37,295</u>	<u>-</u>	<u>-</u>	<u>3,713</u>
Total assets	<u>\$ 3,653,435</u>	<u>\$ 25,996</u>	<u>\$ 58,062</u>	<u>\$ 20,609</u>
<b>Liabilities:</b>				
Accounts payable	\$ 68,326	\$ 1,364	\$ 51	\$ 1,571
Salaries and benefits payable	48,910	7,363	-	-
Interfund loans	120	5,263	-	-
Interfund services used	2,847	3,695	-	-
Intergovernmental payable	324,884	26,606	-	-
Due to component unit	96,347	-	-	-
Tax refunds payable	56,301	32	-	-
Deferred revenue	416,778	5,089	-	-
Accrued liability for compensated absences-current	3,036	109	-	-
Securities lending payable	2,530	-	-	-
Securities lending collateral	1,375,686	-	-	-
	<u>1,375,686</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>2,395,765</u>	<u>49,521</u>	<u>51</u>	<u>1,571</u>
<b>Fund balance:</b>				
Reserved:				
Encumbrances	25,353	10,369	-	1,381
Special purposes	2,173	1,783	15,507	-
Tuition support	305,000	-	-	-
Interfund loans	17,031	-	-	-
Long-term loans and advances	37,060	-	-	3,612
Restricted purposes	-	-	-	-
Unreserved fund balance reported in:				
General fund	871,053	-	-	-
Special revenue funds	-	(35,677)	42,504	14,045
Capital projects funds	-	-	-	-
Permanent funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balance	<u>1,257,670</u>	<u>(23,525)</u>	<u>58,011</u>	<u>19,038</u>
<b>Total liabilities and fund balance</b>	<u>\$ 3,653,435</u>	<u>\$ 25,996</u>	<u>\$ 58,062</u>	<u>\$ 20,609</u>

The notes to the financial statements are an integral part of this statement.

<u>State Highway Department</u>	<u>Property Tax Replacement Fund</u>	<u>Tobacco Settlement Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total</u>
\$ 226,181	\$ -	\$ 275,777	\$ 1,512,328	\$ 3,242,188
3,060	-	60,709	461,427	1,900,882
-	257,504	-	252,948	1,557,339
6	-	136	938	3,610
1,641	-	-	16,479	29,998
97,110	-	-	29,427	146,000
2	-	-	491	13,112
19,716	-	-	1,014	37,761
-	-	-	2,296	5,394
8,215	-	-	403,804	453,027
<u>\$ 355,931</u>	<u>\$ 257,504</u>	<u>\$ 336,622</u>	<u>\$ 2,681,152</u>	<u>\$ 7,389,311</u>
\$ 10,373	\$ -	\$ 1,154	\$ 143,773	\$ 226,612
9,416	-	68	27,247	93,004
-	-	-	10,089	15,472
190	-	-	2,202	8,934
-	874,013	-	89,582	1,315,085
-	-	-	-	96,347
-	-	-	5,561	61,894
1,641	65,613	-	185,338	674,459
630	-	2	2,023	5,800
6	-	136	938	3,610
3,060	-	60,709	461,427	1,900,882
<u>25,316</u>	<u>939,626</u>	<u>62,069</u>	<u>928,180</u>	<u>4,402,099</u>
937,803	-	221	131,710	1,106,837
97,110	-	-	20,136	136,709
-	-	-	-	305,000
19,716	-	-	1,014	37,761
8,215	-	-	289,914	338,801
-	-	-	2,936	2,936
-	-	-	-	871,053
(732,229)	(682,122)	274,332	978,491	(140,656)
-	-	-	78,304	78,304
-	-	-	250,467	250,467
<u>330,615</u>	<u>(682,122)</u>	<u>274,553</u>	<u>1,752,972</u>	<u>2,987,212</u>
<u>\$ 355,931</u>	<u>\$ 257,504</u>	<u>\$ 336,622</u>	<u>\$ 2,681,152</u>	<u>\$ 7,389,311</u>

**State of Indiana**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Assets**  
**June 30, 2003**  
(amounts expressed in thousands)

**Total fund balances-governmental funds** \$ 2,987,212

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	\$ 1,061,125	
Infrastructure assets	7,480,892	
Construction in progress	266,857	
Property, plant, and equipment	1,497,365	
Accumulated depreciation	(718,519)	
Total capital assets		9,587,720

The State's pension funds have net pension assets not reported as assets in the funds. 170,803

Recreational Development Commission startup is a noncurrent asset not reported in the funds 500

Some of the state's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds. 742,001

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds. (61,354)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. 170,666

Elimination of internal balance relating to investment in direct financing lease between internal service funds and governmental funds. (810,701)

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Accrued liability for compensated absences	(111,958)	
Capital lease payable	(18,405)	
Net pension obligations	(1,149)	
Total long-term liabilities		(131,512)

**Net assets of governmental activities** \$ 12,655,335

The notes to the financial statements are an integral part of this statement.



**State of Indiana**  
**Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2003**  
(amounts expressed in thousands)

	<u>General Fund</u>	<u>Motor Vehicle Highway Fund</u>	<u>Medicaid Assistance</u>	<u>Build Indiana Fund</u>
<b>Revenues:</b>				
Taxes:				
Income	\$ 4,148,793	\$ -	\$ -	\$ -
Sales	2,161,831	-	-	-
Fuels	-	463,492	-	-
Gaming	84,308	-	-	-
Inheritance	175,873	-	-	-
Alcohol and tobacco	315,966	-	-	-
Insurance	178,479	-	-	-
Financial Institutions	-	-	-	-
Other	82,110	-	-	-
Total taxes	<u>7,147,360</u>	<u>463,492</u>	<u>-</u>	<u>-</u>
Current service charges	205,317	12,489	-	-
Investment income	57,274	-	-	1,415
Sales/rents	2,645	15	-	-
Grants	117,575	14,956	2,610,669	-
Other	109,696	58,145	-	3,007
Total revenues	<u>7,639,867</u>	<u>549,097</u>	<u>2,610,669</u>	<u>4,422</u>
<b>Expenditures:</b>				
Current:				
General government	913,660	290,061	-	46,182
Public safety	599,430	191,465	-	1
Health	93,131	-	-	-
Welfare	375,536	-	4,067,767	-
Conservation, culture and development	62,328	9	-	3,140
Education	5,473,045	260	-	87
Transportation	5,096	3,234	-	3,655
Total expenditures	<u>7,522,226</u>	<u>485,029</u>	<u>4,067,767</u>	<u>53,065</u>
Excess (deficiency) of revenues over expenditures	<u>117,641</u>	<u>64,068</u>	<u>(1,457,098)</u>	<u>(48,643)</u>
<b>Other financing sources (uses):</b>				
Transfers in	3,043,982	246,447	1,519,347	381,960
Transfers (out)	<u>(2,982,995)</u>	<u>(315,010)</u>	<u>(29,371)</u>	<u>(411,212)</u>
Total other financing sources (uses)	<u>60,987</u>	<u>(68,563)</u>	<u>1,489,976</u>	<u>(29,252)</u>
<b>Net change in fund balances</b>	178,628	(4,495)	32,878	(77,895)
<b>Fund Balance July 1, as restated</b>	<u>1,079,042</u>	<u>(19,030)</u>	<u>25,133</u>	<u>96,933</u>
<b>Fund Balance June 30</b>	<u>\$ 1,257,670</u>	<u>\$ (23,525)</u>	<u>\$ 58,011</u>	<u>\$ 19,038</u>

The notes to the financial statements are an integral part of this statement.

<u>State Highway Department</u>	<u>Property Tax Replacement Fund</u>	<u>Tobacco Settlement Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
\$ -	\$ 73,486	\$ -	\$ 125,777	\$ 4,348,056
42	1,946,909	-	87,153	4,195,935
53	-	-	310,184	773,729
-	-	-	588,764	673,072
-	-	-	-	175,873
-	-	-	58,241	374,207
-	-	-	2,707	181,186
-	-	-	106,963	106,963
-	-	-	95,782	177,892
<u>95</u>	<u>2,020,395</u>	<u>-</u>	<u>1,375,571</u>	<u>11,006,913</u>
12,068	-	147,988	810,492	1,188,354
118	-	1,117	17,106	77,030
589	-	-	24,410	27,659
705,968	-	-	2,813,289	6,262,457
<u>121,694</u>	<u>-</u>	<u>32</u>	<u>209,881</u>	<u>502,455</u>
<u>840,532</u>	<u>2,020,395</u>	<u>149,137</u>	<u>5,250,749</u>	<u>19,064,868</u>
58	1,391,257	7,482	466,007	3,114,707
-	-	-	389,813	1,180,709
-	-	44,837	183,157	321,125
-	-	846	2,082,919	6,527,068
-	-	-	397,430	462,907
-	-	-	771,187	6,244,579
<u>1,196,481</u>	<u>-</u>	<u>-</u>	<u>172,798</u>	<u>1,381,264</u>
<u>1,196,539</u>	<u>1,391,257</u>	<u>53,165</u>	<u>4,463,311</u>	<u>19,232,359</u>
<u>(356,007)</u>	<u>629,138</u>	<u>95,972</u>	<u>787,438</u>	<u>(167,491)</u>
456,397	945,341	73,569	1,690,756	8,357,799
<u>(8,607)</u>	<u>(1,822,671)</u>	<u>(170,986)</u>	<u>(2,482,511)</u>	<u>(8,223,363)</u>
<u>447,790</u>	<u>(877,330)</u>	<u>(97,417)</u>	<u>(791,755)</u>	<u>134,436</u>
91,783	(248,192)	(1,445)	(4,317)	(33,055)
<u>238,832</u>	<u>(433,930)</u>	<u>275,998</u>	<u>1,757,289</u>	<u>3,020,267</u>
<u>\$ 330,615</u>	<u>\$ (682,122)</u>	<u>\$ 274,553</u>	<u>\$ 1,752,972</u>	<u>\$ 2,987,212</u>

**State of Indiana**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended June 30, 2003**  
(amounts expressed in thousands)

Net change in fund balances-total governmental funds	\$ (33,055)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report net capital outlays for infrastructure as expenditures. However in the statement of activities these outlays are capitalized and under the modified approach not depreciated. This is the amount of the net capital outlays for infrastructure under the modified approach in the current period	175,491
Governmental funds report net capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$46,801) exceeds net capital outlays (\$5,520) in the current period.	(52,321)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	106,542
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(100,678)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, data processing, telecommunications, fleet management, and printing, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	<u>(6,930)</u>
Change in net assets of governmental activities.	<u>\$ 89,049</u>

The notes to the financial statements are an integral part of this statement.



**State of Indiana**  
**Statement of Fund Net Assets**  
**Proprietary Funds**  
**June 30, 2003**  
(amounts expressed in thousands)

	Enterprise Funds			
	Toll Roads	Transportation Finance Authority Aviation Technology Bonds	Transportation Finance Authority Airport Facilities Bonds	State Revolving Fund
<b>Assets</b>				
Current assets:				
Cash, cash equivalents and investments - unrestricted	\$ 103,254	\$ 373	\$ 1,311	\$ 191,883
Receivables:				
Accounts	3,790	141	1,890	17,857
Taxes	-	-	-	-
Interest	-	-	1	24,706
Interfund services provided	-	-	-	-
Interfund loans	-	-	-	-
Loans	-	-	-	35,290
Investment in direct financing lease	-	265	8,965	-
Inventory	2,044	-	-	-
Prepaid expenses	1,150	-	-	-
<b>Total current assets</b>	<b>110,238</b>	<b>779</b>	<b>12,167</b>	<b>269,736</b>
Noncurrent assets:				
Cash, cash equivalents and investments - restricted	91,547	-	-	668,601
Interest receivable - restricted	-	-	-	-
Loans	-	-	-	752,362
Investment in direct financing lease	-	9,830	193,095	-
Bond issuance costs - net of amortization	1,574	-	-	-
Property, plant and equipment net of accumulated depreciation	241,832	-	-	-
Other assets	-	-	-	10,183
<b>Total noncurrent assets</b>	<b>334,953</b>	<b>9,830</b>	<b>193,095</b>	<b>1,431,146</b>
<b>Total assets</b>	<b>445,191</b>	<b>10,609</b>	<b>205,262</b>	<b>1,700,882</b>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	6,624	6	14	358
Claims payable	-	-	-	-
Salaries and benefits payable	2,434	-	-	-
Interest payable	4,602	141	1,890	28,490
Capital lease payable	-	-	-	-
Current portion of long-term debt	12,380	265	8,965	-
Accrued prize liability	-	-	-	-
Health/disability benefits payable	-	-	-	-
Accrued liability for compensated absences	-	-	-	-
Due to component unit	-	-	-	21,370
Interfund loans	-	-	-	-
Deferred revenue	-	-	-	-
Other liabilities	-	-	-	341
<b>Total current liabilities</b>	<b>26,040</b>	<b>412</b>	<b>10,869</b>	<b>50,559</b>
Noncurrent liabilities:				
Construction retention	-	-	-	-
Accrued liability for compensated absences	-	-	-	-
Capital lease payable	-	-	-	-
Claim payable	-	-	-	-
Due to component unit	-	-	-	1,057,264
Interfund loans	-	-	-	-
Accrued prize liability	-	-	-	-
Amount due federal government	-	-	-	-
Revenue bonds/notes payable	206,358	9,830	193,095	-
Other liabilities	-	-	-	1,411
<b>Total noncurrent liabilities</b>	<b>206,358</b>	<b>9,830</b>	<b>193,095</b>	<b>1,058,675</b>
<b>Total liabilities</b>	<b>232,398</b>	<b>10,242</b>	<b>203,964</b>	<b>1,109,234</b>
<b>Net assets</b>				
Invested in capital assets net of related debt	23,094	-	-	-
Restricted-expendable:				
Transportation programs	9,405	-	-	-
Future debt service	44,457	-	-	-
Construction	140,633	-	-	-
Unemployment compensation	-	-	-	-
Other purposes	-	326	-	-
Unrestricted	(4,796)	41	1,298	591,648
<b>Total net assets</b>	<b>\$ 212,793</b>	<b>\$ 367</b>	<b>\$ 1,298</b>	<b>\$ 591,648</b>

The notes to the financial statements are an integral part of this statement.

**Enterprise Funds**

<b>Unemployment Compensation Fund</b>	<b>State Lottery Commission</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
\$ 968,375	\$ 56,193	\$ 32,968	\$ 1,354,357	\$ 140,451
-	30,407	112	54,197	36,563
22,734	-	-	22,734	-
-	102	329	25,138	60
-	-	-	-	8,934
-	-	-	-	420
-	-	-	35,290	-
-	-	-	9,230	149,690
-	641	507	3,192	5,971
-	877	50	2,077	3,021
<u>991,109</u>	<u>88,220</u>	<u>33,966</u>	<u>1,506,215</u>	<u>345,110</u>
-	69,285	-	829,433	158,992
-	-	-	-	138
-	-	-	752,362	-
-	-	-	202,925	661,011
-	-	-	1,574	11,339
-	4,695	9,142	255,669	841,892
-	-	-	10,183	39
-	73,980	9,142	2,052,146	1,673,411
<b>991,109</b>	<b>162,200</b>	<b>43,108</b>	<b>3,558,361</b>	<b>2,018,521</b>
17,503	6,101	376	30,982	6,428
-	-	1,826	1,826	-
-	-	304	2,738	1,287
-	-	-	35,123	43,841
-	-	-	-	59
-	-	91	21,701	52,775
-	44,095	-	44,095	-
-	-	-	-	21,558
-	-	145	145	1,142
-	-	-	21,370	-
-	-	300	300	22,409
-	1,175	5,983	7,158	5,396
-	1,598	730	2,669	-
<u>17,503</u>	<u>52,969</u>	<u>9,755</u>	<u>168,107</u>	<u>154,895</u>
-	-	-	-	1,235
-	-	133	133	830
-	-	-	-	52
-	-	18,540	18,540	-
-	-	-	1,057,264	-
-	-	-	-	500
-	58,120	-	58,120	-
-	-	-	-	295
-	-	-	409,283	1,690,048
-	-	-	1,411	-
-	58,120	18,673	1,544,751	1,692,960
<b>17,503</b>	<b>111,089</b>	<b>28,428</b>	<b>1,712,858</b>	<b>1,847,855</b>
-	4,695	9,142	36,931	77,217
-	-	-	9,405	-
-	49,783	-	94,240	13,803
-	-	-	140,633	-
973,606	-	-	973,606	-
-	-	-	326	193
-	(3,367)	5,538	590,362	79,453
<b>\$ 973,606</b>	<b>\$ 51,111</b>	<b>\$ 14,680</b>	<b>\$ 1,845,503</b>	<b>\$ 170,666</b>

**State of Indiana**  
**Statement of Revenues, Expenses and**  
**Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2003**

(amounts expressed in thousands)

	Enterprise Funds			
	Toll Roads	Transportation Finance Authority Aviation Technology Bonds	Transportation Finance Authority Airport Facilities Bonds	State Revolving Fund
<b>Operating revenues:</b>				
Sales/rents/premiums	\$ 6,486	\$ 713	\$ 11,612	\$ -
Taxes	-	-	-	-
Grants	-	-	-	17,807
Interest income	-	-	-	61,609
Charges for services	-	-	-	-
Toll receipts	82,053	-	-	-
Other	478	-	-	1,097
<b>Total operating revenues</b>	<b>89,017</b>	<b>713</b>	<b>11,612</b>	<b>80,513</b>
Cost of sales	-	-	-	-
<b>Gross margin</b>	<b>89,017</b>	<b>713</b>	<b>11,612</b>	<b>80,513</b>
<b>Operating expenses:</b>				
General and administrative expense	69,868	156	415	2,236
Interest expense	-	-	-	59,545
Claims expense	-	-	-	-
Health / disability benefit payments	-	-	-	-
Unemployment compensation benefits	-	-	-	-
Depreciation and amortization	3,099	-	-	861
Other	178	1	-	-
<b>Total operating expenses</b>	<b>73,145</b>	<b>157</b>	<b>415</b>	<b>62,642</b>
<b>Operating income (loss)</b>	<b>15,872</b>	<b>556</b>	<b>11,197</b>	<b>17,871</b>
<b>Nonoperating revenues (expenses):</b>				
Interest and other investment income	2,615	3	53	-
Interest and other investment expense	(16,071)	(566)	(11,620)	-
Distributions to component units	-	-	-	-
Gain (Loss) on disposition of assets	37	-	-	-
Other	(1,587)	-	-	-
<b>Total nonoperating revenues (expenses)</b>	<b>(15,006)</b>	<b>(563)</b>	<b>(11,567)</b>	<b>-</b>
<b>Income before contributions and transfers</b>	<b>866</b>	<b>(7)</b>	<b>(370)</b>	<b>17,871</b>
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<b>Change in net assets</b>	<b>866</b>	<b>(7)</b>	<b>(370)</b>	<b>17,871</b>
<b>Total net assets, July 1, as restated</b>	<b>211,927</b>	<b>374</b>	<b>1,668</b>	<b>573,777</b>
<b>Total net assets, June 30</b>	<b>\$ 212,793</b>	<b>\$ 367</b>	<b>\$ 1,298</b>	<b>\$ 591,648</b>

The notes to the financial statements are an integral part of this statement.

**Enterprise Funds**

<b>Unemployment Compensation Fund</b>	<b>State Lottery Commission</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
\$ -	\$ 664,417	\$ 24,819	\$ 708,047	\$ 383,996
332,281	-	-	332,281	-
170,480	-	-	188,287	-
-	-	-	61,609	-
-	-	-	-	1,416
-	-	786	82,839	-
-	-	81	1,656	250
502,761	664,417	25,686	1,374,719	385,662
-	472,870	3,073	475,943	22,615
502,761	191,547	22,613	898,776	363,047
-	15,688	17,297	105,660	81,753
-	-	-	59,545	-
-	-	8,875	8,875	-
-	-	-	-	154,060
887,501	-	-	887,501	-
-	1,479	372	5,811	27,197
-	-	32	211	359
887,501	17,167	26,576	1,067,603	263,369
(384,740)	174,380	(3,963)	(168,827)	99,678
68,078	3,377	1,404	75,530	2,778
-	(4,856)	-	(33,113)	(80,887)
-	(60,000)	-	(60,000)	-
-	-	(38)	(1)	(211)
-	2,701	-	1,114	351
68,078	(58,778)	1,366	(16,470)	(77,969)
(316,662)	115,602	(2,597)	(185,297)	21,709
1,901	-	1,029	2,930	9,292
-	(108,727)	-	(108,727)	(37,931)
(314,761)	6,875	(1,568)	(291,094)	(6,930)
1,288,367	44,236	16,248	2,136,597	177,596
<b>\$ 973,606</b>	<b>\$ 51,111</b>	<b>\$ 14,680</b>	<b>\$ 1,845,503</b>	<b>\$ 170,666</b>

**State of Indiana**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2003**

(amounts expressed in thousands)

	Enterprise Funds			
	Toll Roads	Transportation Finance Authority Aviation Technology Bonds	Transportation Finance Authority Airport Facilities Bonds	State Revolving Fund
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 88,441	\$ 713	\$ 11,612	\$ -
Cash received from federal government	-	-	-	-
Payments to ticket winners	-	-	-	-
Cash paid for general and administrative	-	(185)	(426)	(2,129)
Cash paid for salary/health/disability benefit payments	(19,987)	-	-	-
Cash paid to suppliers	(48,297)	-	-	-
Cash paid for claims expense	-	-	-	-
Other operating income	-	-	-	1,097
Net cash provided (used) by operating activities	20,157	528	11,186	(1,032)
<b>Cash flows from noncapital financing activities:</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from debt issuance	-	-	-	141,765
Principal payments to reduce indebtedness	-	-	-	(91,015)
Payment of debt issue costs	-	-	-	(370)
Interest paid on bonds and note payable	-	-	-	(57,927)
Other	-	-	-	(565)
Net cash provided (used) by noncapital financing activities	-	-	-	(8,112)
<b>Cash flows from capital and related financing activities:</b>				
Acquisition/construction of capital assets	(6,454)	-	-	-
Proceeds from sale of assets	84	-	-	-
Proceeds from issuance of notes payable/bonds payable	-	-	-	-
Principal payments -- capital leases	-	-	8,090	-
Principal payments -- bonds/notes	(11,770)	-	(8,090)	-
Interfund loan	-	-	-	-
Capital contributions	-	-	-	-
Transportation grants paid	(1,587)	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Interest paid	(13,534)	(566)	(11,612)	-
Debt issue expense	-	(1)	-	-
Net cash provided (used) by capital and related financing activities	(33,261)	(567)	(11,612)	-
<b>Cash flows from investing activities:</b>				
Proceeds from sales of investments	-	-	-	176,971
Purchase of investments	(30,282)	-	-	(166,714)
Interest income (expense) on investments	2,615	4	47	58,995
Net cash provided (used) by investing activities	(27,667)	4	47	69,252
<b>Net increase (decrease) in cash and cash equivalents</b>	(40,771)	(35)	(379)	60,108
<b>Cash and cash equivalents, July 1, as restated</b>	170,767	408	1,690	131,775
<b>Cash and cash equivalents, June 30</b>	<b>\$ 129,996</b>	<b>\$ 373</b>	<b>\$ 1,311</b>	<b>\$ 191,883</b>
<b>Reconciliation of cash , cash equivalents and investments:</b>				
Cash and cash equivalents at end of year	\$ 129,996	\$ 373	\$ 1,311	\$ 191,883
Restricted cash and investments	-	-	-	668,601
Investments unrestricted	64,805	-	-	-
<b>Cash, cash equivalents and investments per balance sheet</b>	<b>\$ 194,801</b>	<b>\$ 373</b>	<b>\$ 1,311</b>	<b>\$ 860,484</b>
<b>Noncash investing, capital and financing activities:</b>				
Increase in fair value of investments	\$ -	\$ -	\$ -	\$ -

**Enterprise Funds**

Unemployment Compensation Fund		State Lottery Commission	Other Enterprise Funds	Total	Internal Service Funds
\$ 326,252	\$ 652,563	\$ 27,176	\$ 1,106,757	\$ 401,913	
170,480	-	-	170,480	-	
-	(389,235)	-	(389,235)	-	
-	-	(16,840)	(19,580)	(78,234)	
-	(12,738)	(416)	(33,141)	(149,244)	
-	(82,754)	(3,085)	(134,136)	(20,970)	
(883,687)	-	(1,973)	(885,660)	-	
-	-	-	1,097	-	
<u>(386,955)</u>	<u>167,836</u>	<u>4,862</u>	<u>(183,418)</u>	<u>153,465</u>	
1,901	-	-	1,901	9,292	
-	(168,727)	-	(168,727)	(37,931)	
-	-	-	141,765	-	
-	-	-	(91,015)	-	
-	-	-	(370)	-	
-	-	-	(57,927)	-	
-	2,474	-	1,909	-	
<u>1,901</u>	<u>(166,253)</u>	<u>-</u>	<u>(172,464)</u>	<u>(28,639)</u>	
-	(4,753)	(538)	(11,745)	(197,192)	
-	37	-	121	20,045	
-	-	-	-	288,461	
-	-	-	8,090	(60)	
-	-	(131)	(19,991)	(138,503)	
-	-	-	-	2,693	
-	-	1,029	1,029	3,801	
-	-	-	(1,587)	-	
-	-	-	-	(10,881)	
-	-	-	(25,712)	(77,367)	
-	-	-	(1)	(1,710)	
<u>-</u>	<u>(4,716)</u>	<u>360</u>	<u>(49,796)</u>	<u>(110,713)</u>	
-	875	2,670	180,516	196,528	
-	-	(8,953)	(205,949)	(208,614)	
68,078	1,333	1,150	132,222	2,847	
<u>68,078</u>	<u>2,208</u>	<u>(5,133)</u>	<u>106,789</u>	<u>(9,239)</u>	
(316,976)	(925)	89	(298,889)	4,874	
<u>1,285,351</u>	<u>43,903</u>	<u>9,943</u>	<u>1,643,837</u>	<u>135,334</u>	
<b>\$ 968,375</b>	<b>\$ 42,978</b>	<b>\$ 10,032</b>	<b>\$ 1,344,948</b>	<b>\$ 140,208</b>	
\$ 968,375	\$ 42,978	\$ 10,032	\$ 1,344,948	\$ 140,208	
-	69,285	-	737,886	158,935	
-	13,215	22,936	100,956	300	
<b>\$ 968,375</b>	<b>\$ 125,478</b>	<b>\$ 32,968</b>	<b>\$ 2,183,790</b>	<b>\$ 299,443</b>	
\$ -	\$ -	\$ 485	\$ 485	\$ -	

**State of Indiana  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended  
June 30, 2003**

(amounts expressed in thousands)

	Enterprise Funds			
	Toll Roads	Transportation Finance Authority Aviation Technology Bonds	Transportation Finance Authority Airport Facilities Bonds	State Revolving Fund
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>				
Operating income (loss)	\$ 15,872	\$ 556	\$ 11,197	\$ 17,871
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation/amortization expense	3,099	-	-	861
Other provisions	-	-	-	-
(Increase) decrease in receivables	543	-	-	(19,921)
(Increase) decrease in interfund services provided	-	-	-	-
(Increase) decrease in inventory	(181)	-	-	-
(Increase) decrease in prepaid expenses	(238)	-	-	-
Increase (decrease) in accrued prize liability	-	-	-	-
(Increase) decrease in claims payable	-	-	-	-
Increase (decrease) in benefits payable	-	-	-	-
Increase (decrease) in accounts payable	882	(28)	(11)	157
Increase (decrease) in deferred revenue	-	-	-	-
Increase (decrease) in salaries payable	180	-	-	-
Increase (decrease) in compensated absences	-	-	-	-
Increase (decrease) in interfund services used	-	-	-	-
Increase (decrease) in other payables	-	-	-	-
<b>Net cash provided (used) by operating activities</b>	<b>\$ 20,157</b>	<b>\$ 528</b>	<b>\$ 11,186</b>	<b>\$ (1,032)</b>

The notes to the financial statements are an integral part of this statement.

<b>Enterprise Funds</b>				
<b>Unemployment Compensation Fund</b>	<b>State Lottery Commission</b>	<b>Other Enterprise Funds</b>	<b>Total</b>	<b>Internal Service Funds</b>
\$ (384,740)	\$ 174,380	\$ (3,963)	\$ (168,827)	\$ 99,678
-	1,479	372	5,811	27,197
-	324	-	324	-
(6,029)	(12,986)	41	(38,352)	15,746
-	-	-	-	(2,094)
-	(481)	(12)	(674)	3,323
-	(328)	21	(545)	2,089
-	7,004	-	7,004	-
-	-	6,903	6,903	-
-	-	-	-	4,816
3,814	(2,075)	(154)	2,585	2,591
-	807	1,450	2,257	(57)
-	-	2	182	187
-	-	9	9	178
-	-	-	-	(188)
-	(288)	193	(95)	(1)
<b>\$ (386,955)</b>	<b>\$ 167,836</b>	<b>\$ 4,862</b>	<b>\$ (183,418)</b>	<b>\$ 153,465</b>

**State of Indiana**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**June 30, 2003**  
(amounts expressed in thousands)

	Pension (and Other Employee Benefit) Trust Funds	Private-Purpose Trust Funds	Agency Funds
<b>Assets:</b>			
Cash, cash equivalents and investments	\$ 17,936,300	\$ 32,990	\$ 536,036
Securities lending collateral	1,539,957	7,225	141,019
Receivables:			
Taxes	-	-	6,047
Contributions	158,977	-	-
Interest	34,056	16	136
Securities lending	-	7	172
Member loans	8,239	-	-
Due from other funds	6,837	-	-
Due from component unit	13,304	-	-
From investment sales	369,531	-	-
Other	-	-	50
Other assets	-	-	410,276
Property, plant and equipment net of accumulated depreciation	89	-	-
<b>Total assets</b>	<b>20,067,290</b>	<b>40,238</b>	<b>\$ 1,093,736</b>
<b>Liabilities:</b>			
Accounts/escrows payable	262,799	2,216	896,779
Salaries and benefits payable	453	-	-
Due to other funds	6,837	-	-
Securities lending payable	-	7	172
Due to component unit	13,304	-	-
Compensated absences	504	-	-
Investment purchases payable	651,722	-	-
Securities lending collateral	1,539,957	7,225	141,019
Other	338	-	55,766
<b>Total liabilities</b>	<b>2,475,914</b>	<b>9,448</b>	<b>\$ 1,093,736</b>
<b>Net assets:</b>			
Held in trust for:			
Employees' post-employment benefits	17,591,376	-	
Trust beneficiaries	-	30,790	
<b>Total net assets</b>	<b>\$ 17,591,376</b>	<b>\$ 30,790</b>	

The notes to the financial statements are an integral part of this statement.

**State of Indiana**  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the Year Ended June 30, 2003**

(amounts expressed in thousands)

	<b>Pension (and Other Employee Benefit) Trust Funds</b>	<b>Private-Purpose Trust Funds</b>
<b>Additions:</b>		
Member contributions	\$ 332,067	\$ 50,260
Employer contributions	939,786	-
Contributions from the State of Indiana	67,362	-
Net investment income (loss)	882,216	407
Less investment expense	(41,991)	-
Donations/escheats	-	76,526
Transfers in	5,621	-
Other	1,852	-
Total additions	<u>2,186,913</u>	<u>127,193</u>
<b>Deductions:</b>		
Pension benefits	1,000,737	-
Disability and other benefits	7,897	-
Payments to participants/beneficiaries	-	120,888
Refunds of contributions and interest	63,076	-
Administrative	14,748	886
Pension relief distributions	96,417	-
Capital projects	3,297	-
Depreciation	17	-
Transfers out	5,621	-
Other	4,813	-
Total deductions	<u>1,196,623</u>	<u>121,774</u>
Net increase (decrease) in net assets	<u>990,290</u>	<u>5,419</u>
Net assets held in trust, July 1, as restated	<u>16,601,086</u>	<u>25,371</u>
<b>Net assets held in trust, June 30</b>	<b><u>\$ 17,591,376</u></b>	<b><u>\$ 30,790</u></b>

The notes to the financial statements are an integral part of this statement.

**State of Indiana**  
**Combining Statement of Net Assets**  
**Discretely Presented Component Units -**  
**Governmental and Proprietary Funds**  
**June 30, 2003**

(amounts expressed in thousands)

	Governmental	Proprietary			Total Component Units
	Indiana Development Finance Authority	Indiana Bond Bank	Indiana Housing Finance Authority	Non-Major Component Units	
<b>Assets</b>					
Current assets:					
Cash, cash equivalents and investments	\$ 44,940	\$ 73,051	\$ 52,897	\$ 257,174	\$ 428,062
Securities lending collateral	-	-	-	302,911	302,911
Receivables (net)	402	41,183	371	7,926	49,882
Loans	6,257	1,349,936	-	-	1,356,193
Due from primary government	-	21,370	-	-	21,370
Other current assets	-	-	1,220	832	2,052
<b>Total current assets</b>	<b>51,599</b>	<b>1,485,540</b>	<b>54,488</b>	<b>568,843</b>	<b>2,160,470</b>
Noncurrent assets:					
Cash, cash equivalents and investments - restricted	-	35,285	269,455	-	304,740
Taxes, interest, and penalties receivable	-	-	4,998	-	4,998
Other receivables	-	-	861,377	241,086	1,102,463
Investments - unrestricted	-	-	-	108,172	108,172
Bond issuance costs, net of amortization	-	22,588	8,384	-	30,972
Intergovernmental loans	-	661,568	-	-	661,568
Due from primary government	-	1,057,264	-	-	1,057,264
Other noncurrent assets	-	-	602	1,055	1,657
Capital assets:					
Property, plant, and equipment	-	86	1,538	694	2,318
Less accumulated depreciation	-	(70)	(1,450)	(415)	(1,935)
Total capital assets, net of depreciation	-	16	88	279	383
<b>Total noncurrent assets</b>	<b>-</b>	<b>1,776,721</b>	<b>1,144,904</b>	<b>350,592</b>	<b>3,272,217</b>
<b>Total assets</b>	<b>51,599</b>	<b>3,262,261</b>	<b>1,199,392</b>	<b>919,435</b>	<b>5,432,687</b>
<b>Liabilities</b>					
Current liabilities:					
Accounts payable	67	749	996	797	2,609
Interest payable	-	44,589	558	364	45,511
Current portion of long-term debt	-	1,432,327	13,962	78,630	1,524,919
Securities lending collateral	-	-	-	302,911	302,911
Deposits held in custody for others	-	-	410	-	410
Other current liabilities	900	-	-	4	904
<b>Total current liabilities</b>	<b>967</b>	<b>1,477,665</b>	<b>15,926</b>	<b>382,706</b>	<b>1,877,264</b>
Long-term liabilities:					
Revenue bonds/notes payable	-	1,772,081	983,542	171,000	2,926,623
Other noncurrent liabilities	-	107	952	375	1,434
<b>Total long-term liabilities</b>	<b>-</b>	<b>1,772,188</b>	<b>984,494</b>	<b>171,375</b>	<b>2,928,057</b>
<b>Total liabilities</b>	<b>967</b>	<b>3,249,853</b>	<b>1,000,420</b>	<b>554,081</b>	<b>4,805,321</b>
<b>Net assets</b>					
Invested in capital assets net of related debt	-	16	88	63	167
Restricted-expendable					
Grants/constitutional restrictions	-	-	3,005	-	3,005
Future debt service	-	1,996	139,362	6,234	147,592
Pension fund distribution	-	-	-	6,888	6,888
Other purposes	-	-	-	40	40
Unrestricted (deficit)	50,632	10,396	56,517	352,129	469,674
<b>Total net assets</b>	<b>\$ 50,632</b>	<b>\$ 12,408</b>	<b>\$ 198,972</b>	<b>\$ 365,354</b>	<b>\$ 627,366</b>

The notes to the financial statements are an integral part of this statement.

**State of Indiana**  
**Combining Statement of Activities**  
**Discretely Presented Component Units -**  
**Governmental and Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2003**  
(amounts expressed in thousands)

	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Assets</u>				
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Indiana Development Finance Authority</u>	<u>Indiana Bond Bank</u>	<u>Indiana Housing Finance Authority</u>	<u>Non-Major Component Units</u>	<u>Net (Expense) Revenue</u>
Indiana Development Finance Authority	\$ 19,315	\$ 1,820	\$ -	(17,495)	-	-	-	(17,495)
Indiana Bond Bank	100,879	769	99,839	-	(271)	-	-	(271)
Indiana Housing Finance Authority	201,310	101,877	128,890	-	-	29,457	-	29,457
Non-Major Component Units	25,862	-	31,191	-	-	-	5,329	5,329
<b>Total component units</b>	<b>\$ 347,366</b>	<b>\$ 104,466</b>	<b>\$ 259,920</b>	<b>(17,495)</b>	<b>(271)</b>	<b>29,457</b>	<b>5,329</b>	<b>17,020</b>
General revenues:								
Investment earnings				-	433	14,074	-	14,507
Payments from State of Indiana				23,545	-	-	-	23,545
Other				-	-	1,647	-	1,647
<b>Total general revenues</b>				<b>23,545</b>	<b>433</b>	<b>15,721</b>	<b>-</b>	<b>39,699</b>
Change in net assets				6,050	162	45,178	5,329	56,719
Net assets - beginning				44,582	12,246	153,794	360,025	570,647
Net assets - ending				<b>\$ 50,632</b>	<b>\$ 12,408</b>	<b>\$ 198,972</b>	<b>\$ 365,354</b>	<b>\$ 627,366</b>

The notes to the financial statements are an integral part of this statement.

**State of Indiana**  
**Combining Statement of Net Assets**  
**Discretely Presented Component Units -**  
**Colleges and Universities**  
**June 30, 2003**

(amounts expressed in thousands)

	Indiana University	Purdue University	Non-Major Colleges and Universities	Totals
<b>Assets</b>				
Current assets:				
Cash, cash equivalents and investments	\$ 374,708	\$ 346,400	\$ 248,682	\$ 969,790
Securities lending collateral	31,578	166,225	-	197,803
Receivables (net)	91,455	92,059	54,483	237,997
Inventory	15,832	6,167	8,294	30,293
Prepaid expenses	-	628	8,687	9,315
Due from primary government	38,450	26,851	31,046	96,347
Funds held in trust by others	-	6,044	35,029	41,073
Other current assets	8,236	10,369	1,124	19,729
<b>Total current assets</b>	<b>560,259</b>	<b>654,743</b>	<b>387,345</b>	<b>1,602,347</b>
Noncurrent assets:				
Cash, cash equivalents and investments - restricted	-	1,114,312	512	1,114,824
Other receivables	68,487	52,602	14,880	135,969
Investments - unrestricted	429,658	-	149,050	578,708
Other noncurrent assets	-	-	30,363	30,363
Capital assets:				
Land	54,336	68,246	98,243	220,825
Infrastructure	133,655	17,570	58,111	209,336
Construction in progress	53,713	219,601	46,006	319,320
Property, plant, and equipment	2,499,931	1,531,343	1,441,142	5,472,416
Less accumulated depreciation	(1,144,831)	(793,451)	(620,548)	(2,558,830)
<b>Total capital assets, net of depreciation</b>	<b>1,596,804</b>	<b>1,043,309</b>	<b>1,022,954</b>	<b>3,663,067</b>
<b>Total noncurrent assets</b>	<b>2,094,949</b>	<b>2,210,223</b>	<b>1,217,759</b>	<b>5,522,931</b>
<b>Total assets</b>	<b>2,655,208</b>	<b>2,864,966</b>	<b>1,605,104</b>	<b>7,125,278</b>
<b>Liabilities</b>				
Current liabilities:				
Accounts payable	87,153	33,987	24,175	145,315
Interest payable	7,960	-	-	7,960
Current portion of long-term debt	36,796	25,220	25,279	87,295
Capital lease payable	2,063	4,067	-	6,130
Salaries, health, disability, and benefits payable	62,562	5,692	12,550	80,804
Deferred revenue	106,801	31,789	28,061	166,651
Accrued liability for compensated absences	29,829	20,221	7,756	57,806
Securities lending collateral	31,578	166,225	-	197,803
Deposits held in custody for others	26,393	20,146	8,524	55,063
Other current liabilities	-	32,080	5,636	37,716
<b>Total current liabilities</b>	<b>391,135</b>	<b>339,427</b>	<b>111,981</b>	<b>842,543</b>
Long-term liabilities:				
Accrued liability for compensated absences	-	14,657	10,247	24,904
Capital lease payable	12,504	85,925	-	98,429
Funds held in trust for others	35,216	8,150	-	43,366
Advances from federal government	-	20,431	4,656	25,087
Revenue bonds/notes payable	548,124	380,586	383,692	1,312,402
Other noncurrent liabilities	7,174	740	1,431	9,345
<b>Total long-term liabilities</b>	<b>603,018</b>	<b>510,489</b>	<b>400,026</b>	<b>1,513,533</b>
<b>Total liabilities</b>	<b>994,153</b>	<b>849,916</b>	<b>512,007</b>	<b>2,356,076</b>
<b>Net assets</b>				
Invested in capital assets net of related debt	1,086,535	605,608	618,706	2,310,849
Restricted-nonexpendable				
Instruction and research	-	82,580	-	82,580
Student aid	-	80,592	4,129	84,721
Other purposes	43,118	3,714	-	46,832
<b>Total restricted-nonexpendable</b>	<b>43,118</b>	<b>166,886</b>	<b>4,129</b>	<b>214,133</b>
Restricted-expendable				
Instruction and research	92,923	67,432	1,266	161,621
Student aid	-	51,937	21,058	72,995
Auxiliary enterprises	-	2,713	-	2,713
Capital projects	21,243	108,499	79,268	209,010
Other purposes	37,685	346,835	16,758	401,278
<b>Total restricted-expendable</b>	<b>151,851</b>	<b>577,416</b>	<b>118,350</b>	<b>847,617</b>
Unrestricted (deficit)	379,551	665,140	351,912	1,396,603
<b>Total net assets</b>	<b>\$ 1,661,055</b>	<b>\$ 2,015,050</b>	<b>\$ 1,093,097</b>	<b>\$ 4,769,202</b>

The notes to the financial statements are an integral part of this statement.

**State of Indiana**  
**Combining Statement of Activities**  
**Discretely Presented Component Units -**  
**Colleges and Universities**  
**For the Fiscal Year Ended June 30, 2003**  
(amounts expressed in thousands)

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Indiana University	Purdue University	Non-Major Colleges and Universities	Net (Expense) Revenue
Indiana University	\$1,891,847	\$1,007,098	\$ 367,139	\$ 45,376	(472,234)	-	-	(472,234)
Purdue University	1,181,992	553,936	232,702	25,104	-	(370,250)	-	(370,250)
Non-Major Colleges and Universities	936,568	355,228	221,577	9,200	-	-	(350,563)	(350,563)
Total component units	<u>\$4,010,407</u>	<u>\$1,916,262</u>	<u>\$ 821,418</u>	<u>\$ 79,680</u>	<u>(472,234)</u>	<u>(370,250)</u>	<u>(350,563)</u>	<u>(1,193,047)</u>
General revenues:								
Investment earnings					35,021	48,252	15,422	98,695
Payments from State of Indiana					511,268	353,423	397,842	1,262,533
Other					47,702	74,259	3,378	125,339
Total general revenues					593,991	475,934	416,642	1,486,567
Change in net assets					121,757	105,684	66,079	293,520
Net assets - beginning, as restated					1,539,298	1,909,366	1,027,018	4,475,682
Net assets - ending					<u>\$ 1,661,055</u>	<u>\$ 2,015,050</u>	<u>\$ 1,093,097</u>	<u>\$ 4,769,202</u>

The notes to the financial statements are an integral part of this statement.

